

Rent Stabilization Survey for Housing Advisory Committee

This survey was drafted by Bruce Brunner, Scott Shaffer, and Joey Dobson. The goal was to gather input from the members of the Advisory Committee on Housing to inform Bruce's participation on the Rent Stabilization Work Group as the committee's designated representative. Survey responses were collected from November 16 through December 1, 2022.

1. What is most important to you in a rent stabilization policy?

10 Responses

ID ↑	Name	Responses
1	anonymous	Renters have a level of stability and predictability with their housing costs which tends to be the single largest cost to a household. This means I am most interested in a fixed percentage increase limit that a renter can easily understand or easily get assistance with understanding and calculating the maximum increase they can expect in a year.
2	anonymous	Affordability for Renters
3	anonymous	Protecting low-income families from being displaced due to price gouging. Providing the most vulnerable groups in our community with the security of predictable housing costs to better plan for their future.
4	anonymous	My top priority in a rent stabilization policy is to improve housing affordability for Minneapolis residents.
5	anonymous	Centering the lowest income renters. We see in the data that rent increases have disproportionately impacted the bottom quartile of renters (steep rent increases with virtually no increase in income) and Black renters. Would love to see TOPA passed alongside rent stabilization.
6	anonymous	Preventing sudden, excessive increases in rent, especially for low-income households
7	anonymous	A grounding in solid economic analysis. I share rent stabilization proponents' goals, but worry that some policy ideas have unintended consequences on housing supply and quality.
8	anonymous	Produce more housing and consequently housing options and stability
9	anonymous	Protecting our lowest income tenants from unreasonable rent increases.
10	anonymous	That rents are stabilized to a point of affordability for the area. Landlords are not allowed to increase rents so that they price certain communities out of being able to comfortably live in areas.

2. What is your top concern about a rent stabilization policy?

10 Responses

ID ↑	Name	Responses
1	anonymous	My top concern is that the implementation of the policy will put the burden on renters for identifying and combatting violations for the ordinance.
2	anonymous	Assuring that policies don't intentionally or inadvertently escalate rents out of control
3	anonymous	Top concern is the implementation of a vacancy control policy without just cause eviction protection for tenants. The concern is that vacancy control without such protections provides an incentive to landlords to non-renew tenants in order to circumvent rent stabilization policies and raise the rent astronomically.
4	anonymous	My chief concern is the unintended consequences that can arise from a well-intentioned policy. I hope the work group will look closely at long-term outcomes in other cities.
5	anonymous	I know rent stabilization won't fix the housing crisis, but I am concerned it will get too watered down to have any impact.
6	anonymous	I'm worried that a poorly-designed policy will discourage the construction of new housing units, exacerbating the housing shortage
7	anonymous	I'm concerned that the good intentions will have unintended effects on housing quality and availability in Minneapolis. I'm also concerned that enormous capital (political, staff time) will be invested in creating and enforcing an ordinance that is likely to impact a small number of renters (if only large, gouging-type increases are prohibited). Could the city accomplish more for its affordable housing needs by putting that energy and staff time to other approaches? The city already can't proactively enforce the renter protections it has.
8	anonymous	Destroying investment and production in new housing and reinvestment in existing rental housing.
9	anonymous	Finding the balance between protecting tenants and encouraging investment in affordable rental properties.
10	anonymous	That landlords will not participate and it will no longer be profitable for the individual landlords to own properties to create wealth

3. Rate this statement (1 = strongly disagree / 5 = strongly agree): The rent increase cap should be a fixed percentage that doesn't change from year to year (for example, 3%).

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	1
3	anonymous	5
4	anonymous	3
5	anonymous	4
6	anonymous	2
7	anonymous	1
8	anonymous	1
9	anonymous	2
10	anonymous	5
11	anonymous	3

Average number: 2.55

4. Rate this statement (1 = strongly disagree / 5 = strongly agree): The rent increase cap should be a variable percentage that can change from year to year (for example, tied to...

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	4
3	anonymous	1
4	anonymous	4
5	anonymous	2
6	anonymous	4
7	anonymous	5
8	anonymous	5
9	anonymous	4
10	anonymous	1
11	anonymous	4

Average number: 3.18

5. Rank the following 3 choices of a rent increase cap:

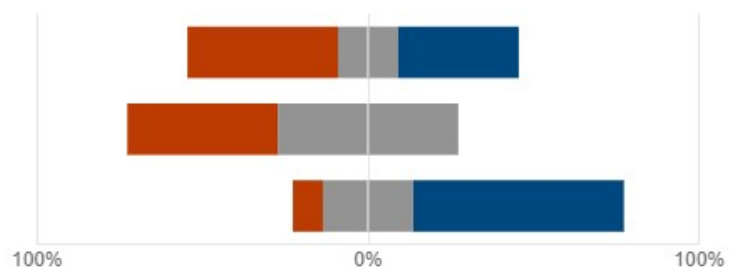
[More Details](#)

■ 1st Choice ■ 2nd Choice ■ 3rd Choice

3% flat

CPI + 3%

CPI + 7%



6. What other comments do you have about the rent increase cap?

3 Responses

ID ↑	Name	Responses
1	anonymous	Flat rate is reasonable, and 3% seems particularly reasonable given the argument that rent increases have fallen below this for many years. There should be a different path for exceptions to the rent cap that are based on real costs increases incurred.
2	anonymous	The rent increase cap should be tied to year over year increases in income (i.e. consumer ability to pay). While the cap may increase by a % annually, annual income doesn't necessarily increase. If it does, it generally doesn't increase at 3% or more. Currently CPI in Minnesota rose 7.76%. If that figure is added to, say, a 3% increase, the total would be a 10.76% increase. There should be some connection between rents and the costs associated with holding, managing, maintaining properties.
3	anonymous	There should not be one.

7. Rate this statement (1 = strongly disagree / 5 = strongly agree): Property owners should be able to increase the rent to market rate between tenants (this is known as vacancy...

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	3
3	anonymous	1
4	anonymous	4
5	anonymous	1
6	anonymous	5
7	anonymous	5
8	anonymous	5
9	anonymous	4
10	anonymous	4
11	anonymous	4

Average number: 3.36

8. Rate this statement (1 = strongly disagree / 5 = strongly agree): The rent increase cap should still apply in between tenants of a given unit (this is known as vacancy control).

11 Responses

ID ↑	Name	Responses
1	anonymous	5
2	anonymous	3
3	anonymous	5
4	anonymous	2
5	anonymous	3
6	anonymous	1
7	anonymous	1
8	anonymous	1
9	anonymous	2
10	anonymous	2
11	anonymous	2

Average number: 2.45

9. Rate this statement (1 = strongly disagree / 5 = strongly agree): If a property owner didn't increase the rent the full allowed amount for a few years, they should be able to "bank"...

11 Responses

ID ↑	Name	Responses
1	anonymous	4
2	anonymous	4
3	anonymous	1
4	anonymous	1
5	anonymous	3
6	anonymous	3
7	anonymous	5
8	anonymous	3
9	anonymous	4
10	anonymous	1
11	anonymous	4

Average number: 3.00

10. What other comments do you have about vacancy control/decontrol or banking?

7 Responses

ID ↑	Name	Responses
1	anonymous	The idea that the rent is below market is an assumption that I don't believe is accurate. Rents are already out of touch. Creating a path to continue to raise rents in an unregulated way is contrary to stabilizing the market. Additionally, Vacancy decontrol paves the way for economic evictions and adds another level of displacement pressure on tenants. Any level of vacancy decontrol must be paired with a Just Cause termination policy to mitigate economic displacement.
2	anonymous	Vacancy decontrol is only acceptable with just cause tenant protections.
3	anonymous	Vacancy decontrol creates an obvious incentive to evict or not renew leases (especially in the absence of a just cause policy). I would not support complete decontrol. Perhaps there could be a limit on what an increase could be when a tenant leaves as a compromise that is somewhat above the limit for current tenants.
4	anonymous	The goal of the policy is to increase residential stability, and vacancy control doesn't help with that at all. It would also difficult or impossible to catch a landlord for violating vacancy control, unless the outgoing tenants and incoming tenants know each other.
5	anonymous	Banking increases is really crucial. As a rental property owner, I prefer not to raise rents when my expenses (namely property taxes) haven't risen. But I would raise rents every year if I couldn't make adjustments between tenants, or if the process to make those adjustments was administratively onerous. Protecting tenants from being forced out of their housing to allow rent increases is a policy issue of its own and should be addressed, but not through vacancy control.
6	anonymous	Vacancy decontrol is the only policy mechanism with rent control that offers any hope of preserving existing housing.
7	anonymous	I think that it is important to give property owners the flexibility to not increase every year while not losing the ability to re-set in between tenants. This would help avoid inadvertently causing more rent increase than what we've been seeing without rent stabilization policies.

11. Rate this statement (1 = strongly disagree / 5 = strongly agree): Newly constructed buildings should be exempt from a rent stabilization policy for a period of time.

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	2
3	anonymous	2
4	anonymous	4
5	anonymous	3
6	anonymous	5
7	anonymous	4
8	anonymous	5
9	anonymous	4
10	anonymous	1
11	anonymous	4

Average number: 3.18

12. If you support a new construction exemption, for how many years should the new buildings be exempt?

[More Details](#)



13. Rate this statement (1 = strongly disagree / 5 = strongly agree): Subsidized units or properties should be exempt from a rent stabilization policy.

10 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	3
3	anonymous	4
4	anonymous	2
5	anonymous	5
6	anonymous	1
7	anonymous	1
8	anonymous	4
9	anonymous	1
10	anonymous	2

14. Rate this statement (1 = strongly disagree / 5 = strongly agree): Owner-occupied buildings should be exempt from a rent stabilization policy.

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	3
3	anonymous	1
4	anonymous	3
5	anonymous	1
6	anonymous	1
7	anonymous	2
8	anonymous	5
9	anonymous	2
10	anonymous	1
11	anonymous	2

Average number: 2.00

15. Rate this statement (1 = strongly disagree / 5 = strongly agree): Smaller-unit buildings (1-4 units) should be exempt from a rent stabilization policy.

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	3
3	anonymous	1
4	anonymous	2
5	anonymous	1
6	anonymous	1
7	anonymous	2
8	anonymous	5
9	anonymous	2
10	anonymous	3
11	anonymous	2

Average number: 2.09

16. What other comments do you have about exemptions for specific properties?

4 Responses

ID ↑	Name	Responses
1	anonymous	I believe effective market regulation should be applied wholesale o level the playing field. New construction units have no restrictions on setting rents. Proformas for new construction contemplate expected operating expenses, maintenance, and reserves to determine the rent level that creates a sustainable housing project. That can still happen.
2	anonymous	Increases in rent limits at subsidized housing can be steep as AMI levels change from year to year. These tenants should still be protected. I would support exempting Sec 8 housing where the increases would not be experienced by the tenants. The way to get more affordable housing is to create more affordable housing, not to rely on some sort of "trickle down" from new housing that will take decades. I recognize that there is perhaps some pushback from HUD on the numbers, but the Pi Press reported on Aug 29 that construction permits in St. Paul were up above 5 year averages Jan - June this year. Mitra Jalali is quoted as saying "new residential building permits are up 64 percent." I understand that developers are saying that isn't the case, but that's not what the City is reporting (at least for the first half of the year). I don't doubt that it could be possible, but I haven't seen reporting that corroborates Bruce's claim here.
3	anonymous	Exempting new buildings is important so as not to discourage the construction of new homes. A 30-year rolling window for exemption would immediately apply to about 80% of rental units without impacting new construction. I do not see a good reason to exempt smaller buildings or owner-occupied buildings.
4	anonymous	Some of these questions (length of time for exemptions) should be left to economic and development experts who understand when/how construction ROI is reached. I don't believe that buildings receiving taxpayer money should be held to a lesser standard of management than non-subsidized buildings, but I understand there are some regularity considerations here. But look at Dominion: taxpayer-funded "affordable" properties experiencing huge rent increases across the metro. That's a serious concern.

17. Rate this statement (1 = strongly disagree / 5 = strongly agree): A rent stabilization policy should allow a property owner to apply for an exception to the rent increase cap...

10 Responses

ID ↑	Name	Responses
1	anonymous	5
2	anonymous	2
3	anonymous	3
4	anonymous	4
5	anonymous	4
6	anonymous	4
7	anonymous	5
8	anonymous	4
9	anonymous	4
10	anonymous	4

Average number: 3.90

18. Rate this statement (1 = strongly disagree / 5 = strongly agree): A rent stabilization policy should allow a property owner to apply for an exception to allow the property...

10 Responses

ID ↑	Name	Responses
1	anonymous	5
2	anonymous	4
3	anonymous	4
4	anonymous	3
5	anonymous	4
6	anonymous	4
7	anonymous	5
8	anonymous	4
9	anonymous	3
10	anonymous	3

Average number: 3.90

19. What other comments do you have about exceptions?

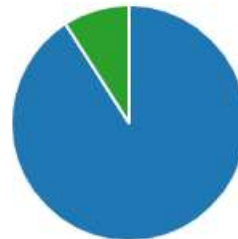
4 Responses

ID ↑	Name	Responses
1	anonymous	The process must require oversight and communication to renters.
2	anonymous	The term "Fair and Reasonable Return" needs to be clearly defined.
3	anonymous	I'm worried that if a building needs an expensive repair and the owner isn't able to pass any of the cost on to the tenants, then they'll refuse to make the repair, choose to convert it to an owner-occupied property, or leave it vacant and unrepaired.
4	anonymous	Applying for exceptions could be an administrative nightmare on all sides. Property owners need to be smart, budgeting ahead of time for capital improvements and not buying buildings that can't achieve a reasonable return. I'm mostly concerned about how burdensome exceptions would be on owners, the city, and renters alike.

20. Who should enforce a rent stabilization policy?

[More Details](#)

● City staff	10
● A resident board	0
● A third party	1



21. Rate this statement (1 = strongly disagree / 5 = strongly agree): City staff should review and certify property owner requests for an exception.

11 Responses

ID ↑	Name	Responses
1	anonymous	5
2	anonymous	4
3	anonymous	5
4	anonymous	5
5	anonymous	5
6	anonymous	4
7	anonymous	4
8	anonymous	1
9	anonymous	5
10	anonymous	5
11	anonymous	5

Average number: 4.36

22. Rate this statement (1 = strongly disagree / 5 = strongly agree): Property owners should be able to self-certify that an exception applies without staff review.

11 Responses

ID ↑	Name	Responses
1	anonymous	1
2	anonymous	1
3	anonymous	1
4	anonymous	2
5	anonymous	1
6	anonymous	4
7	anonymous	1
8	anonymous	5
9	anonymous	1
10	anonymous	1
11	anonymous	1

Average number: 1.73

23. Rate this statement (1 = strongly disagree / 5 = strongly agree): Property owners should have to tell their residents if the policy applies or doesn't apply to them.

11 Responses

ID ↑	Name	Responses
1	anonymous	5
2	anonymous	4
3	anonymous	5
4	anonymous	4
5	anonymous	5
6	anonymous	4
7	anonymous	5
8	anonymous	3
9	anonymous	5
10	anonymous	5
11	anonymous	4

Average number: 4.45

24. What other comments do you have about enforcement?

6 Responses

ID ↑	Name	Responses
1	anonymous	I believe staff should be paired with a Rent Stabilization Board that provides neutral oversight and management of compliance.
2	anonymous	Information about policies and practices that apply to renters should be easily understood and easily accessible. Enforcement and complaint resolution for both renters and landlords should be handled expeditiously with clearly defined response and resolution timelines.
3	anonymous	City staff are the paid professionals who help advance the city's housing goals, and they should be the ones enforcing this ordinance. It would be a very bad idea to rely on untrained, inexperienced, unpaid volunteers. City staff should require reporting of exceptions and audit or verify some small percentage of those exceptions.
4	anonymous	As stated throughout this, I'm concerned about the administrative burdens of this policy. But I also don't think it works without strong city oversight; many renters wouldn't be able to navigate this on their own to ensure they're getting legal treatment. And if the city doesn't help renters, who will? The city would need to further fund Legal Aid and Home Line to help renters if the city won't. Otherwise the policies won't fully accomplish their goals.
5	anonymous	It should only be complaint-driven to minimize enforcement cost.
6	anonymous	This feels like the most important piece to me because if we do not have a strong enforcement procedure, then in practice the rule becomes meaningless. Tenants should be informed and able to report concerns, but not responsible for any part of ensuring enforcement. Tenants, and particularly low income tenants, often refuse to report concerns out of fear of retaliation and not being able to find another affordable property.

25. Any final thoughts?

3 Responses

ID ↑	Name	Responses
1	anonymous	Self-Certification undermines policy.
2	anonymous	It is tragic that well-intentioned efforts to address affordability will, if enacted, have the most damaging effects on housing affordability in the long term. Instead, we should focus our efforts on housing production rather than rent control.
3	anonymous	Many thanks to Bruce and Joey for all your work on this.